

I should note that Mr. Serpico's letter does not respond to the proposed settlement of all disputes outlined in my February 11th letter to you. Because the parties did not seem that far apart with regard to the substance of their positions, I was

Terry M. Grims
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hopeful that we were making progress in our negotiations. That does not, however, appear to be the Port's view based on Mr. Serpico's statements.

Mr. Serpico's stated concerns about our proceeding with closure are a bit surprising. The Reclamation District has been implementing for a number of years the closure plan approved by the IEPA. One of the last things any of us (including the Port District) would want to do is jeopardize that plan. In fact, you were present when the City's Corporation Counsel made that point. Over the many years that the Reclamation District has been involved in closure, there has never been a dispute as to whether this should be done. Moreover, the Port has known of the closure timetable and knew we would be moving ahead and that we had and have no alternative to doing so.

I must also mention that the Port has known for some time that the Reclamation District categorically denies owing the Port any money with regard to the Doty site. Our clearly stated position has been that we have benefitted the land through the agreed-upon closure and that as a matter of public policy we should all be interested in a reasonable public end use of the property. That is what we have been discussing for many months and what we had hoped to focus on these past few weeks. Because we have had no response to our proposal, that has not been possible.

I await your earliest possible response to our pending settlement offer. Please call me directly at 408-3280.

Very truly yours,



Richard A. Devine

RAD:ck

cc: Hon. Richard M. Daley
Timothy Degnan
Mary Gader

WILSON INTERNATIONAL
FOREIGN DISTRICT
300 A de la Harpe
Chicago, IL 60617-3193
312.646.4400
312.231.7678 (FAX)

copy to Frank Bulfinch 2/19/92 NJH:km

CC: Jim Park
~~Jim Park~~

Feb 1992
FILE COPY

Original to: MG

100 E. Erie St.
Chicago, IL 60611

Dear Nick:

I have the sincere belief that you and I personally would rather see this unfortunate litigation resolved equitably rather than continue within the court system. However, unless serious discussions take place immediately, I fail to see any other alternative because of the position your negotiating team has taken.

On Feb. 6, representatives of the IIPD met with the Director of the Illinois Environmental Protection Agency and her executive staff to discuss changes in the closure plan for the landfill site on IIPD property at 106th Street. This meeting was called because of comments made by your General Superintendent at a previous meeting. By now, you are aware that this meeting was like all meetings between us on this matter - futile.

Throughout the year in which we have attempted to negotiate a settlement, your staff agreed we could add fill above the clay cap to create the facility we envision. We have attempted to negotiate a settlement, your staff agreed we could add fill above the clay cap to create the facility we envision.

Certainly you can appreciate my total astonishment when only two months ago we allowed you to close an additional 25+ acres; you assured us that any necessary reshaping could be performed at a later date. It is unbelievable as to how the MWRD expected us to proceed with our plans to create a first class public golf facility on our property when the MWRD secretly believed no reshaping could be done on 25+ acres of a 220 acre site.

Another factor prompting this most recent meeting was that MWRD advertised a bid for additional closure of 25+ acres to be opened on February 11, bringing the total of closed acres to 123+.

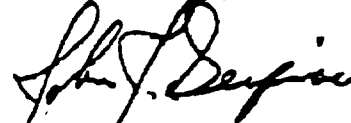
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Mr. Nicholas Melas

negotiations and force the Port to proceed with one or more of the less constructive options I have outlined, please let me know prior to 9:00 A.M. Friday as our Board of Directors are scheduled to meet at 9:30 A.M. Friday.

Once again, we remain available if any constructive offer is presented to us for our consideration. I'm sure you appreciate our frustration after nine years of fruitless discussion with your agency.

Sincerely,



John J. Serpico
Chairman Board of Directors

Hon. Richard M. Daley
Timothy Degnan
Mary Gade
Richard A. Devine
Terry Grimm
IIPD Board of Directors
MWRD Board of Directors